



## **District Committee on Budget & Finance**

**April 20, 2021**

**Zoom, 1:30 – 3:30 p.m.**

**Attendees:** Bernata Slater, Eloisa Briones, Sofia Fernandez Giorgi, Judy Hutchinson, Nick Kapp, Steven Lehigh, Vincent Li, Graciano Mendoza, Micaela Ochoa, Martin Partlan, and Ludmila Prisecar

**Absent:** Tony Burolla, Mary Chries Concha Thia, Anthony Frangos, Sam Haun, and Minn Thurei Naung

**Guests:** Paul Cassidy, Peter Fitzsimmons, and Chantal Sosa

**Called to order at 1:35p.m.**

### **1. Introductions**

No formal introductions were made.

### **2. FY 2021-22 Preliminary Site Allocation Update**

Fitzsimmons provided the committee with a snapshot of the 21-22 Site Allocation as of April 20, 2021. He also noted that these numbers continue to ebb and flow as additional information becomes known through July 2021 leading to the Adopted Budget. Current site allocations are froze in mid-May to inform the Tentative Budget. He advised that much of the year-over-year increase is already committed for personnel cost increases for collective bargaining agreements and does not include carry-overs. Current estimates for revenues and expenditures are \$217.9 million with the following site allocations (as noted in the following spreadsheet):

- Canada = \$32.9 million
- CSM = \$50.8 million
- Skyline = \$53.4 million
- District Office = \$21.8 million
- Facilities = \$18.5 million

Slater reminded the committee that the STRS On-Behalf Revenues are not real revenues. There is offsetting expense and this is an accounting entry, which will likely increase in the future. Interest earnings have increased; however, the District continues to budget conservatively given the variability of cash balances and return-on-investments. Non-resident fees are budgeted to increase because of enrollment increases coupled with fee increases.

Utilities, DW Technology, and Insurance will continue to update. Scheduled Maintenance is a new component of the resource allocation; however, no allocation has been made as of yet. Mendoza inquired as to how much the allocation for scheduled maintenance would possibly be to which Slater responded that if an allocation is made it will likely be a couple hundred thousand dollars, which is what the State would have normally allocated. Slater also mentioned the possibility of transitioning SMAC in-house, which will affect Fund 1. Lastly, Slater noted that the \$700k originally

allocated for 21-22 to move towards compliance with the 50% has increased to \$1.5m for expenses associated with part-time faculty parity.

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT						
REVENUE AND EXPENDITURE ASSUMPTIONS - FUND 1						
	FY2019-20	FY2020-21	FY2021-22	FY2022-23	FY2023-24	
	Adopted	Adopted	Tentative	Preliminary	Preliminary	
<b>REVENUE</b>						
<u>Local</u>						
Property Taxes						
Base Revenue	\$ 156,641,213	\$ 165,666,425	\$ 172,812,270	179,724,761	186,015,128	
Redevelopment Agency	12,823,584	14,970,114	15,581,069	16,204,312	16,771,463	
Student Fees						
Enrollment Fees (\$46)	9,957,805	9,586,425	9,177,478	9,137,974	9,137,974	
Promise Scholars Fee Waiver	(1,490,828)	(1,435,775)	(1,472,933)	(1,472,933)	(1,472,933)	
Out-of-State Non-Resident	1,373,598	925,113	1,557,630	1,659,104	1,760,578	
International Non-Resident	7,546,670	3,808,512	4,994,583	5,319,963	5,645,343	
Interest	3,000,000	1,500,000	2,000,000	2,000,000	2,000,000	
Other	2,458,293	2,471,850	2,456,546	2,456,546	2,456,546	
<u>State</u>						
Proposition 30/55	1,462,741	1,437,300	1,393,900	1,387,900	1,387,900	
Lottery	2,481,417	2,292,300	2,246,100	2,237,100	2,237,100	
P/T Faculty Parity	324,409	325,365	309,337	309,337	309,337	
P/T Faculty Office Hours / Medical	167,558	167,339	167,339	167,339	167,339	
Apprenticeship	467,362	467,362	466,320	466,320	466,320	
Mandated Costs	477,997	433,490	420,400	430,249	437,189	
STRS On-Behalf	3,848,997	5,796,149	5,796,149	5,796,149	5,796,149	
<b>Estimated Total Revenue</b>	<b>\$ 201,540,816</b>	<b>\$ 208,411,969</b>	<b>217,906,187</b>	<b>\$ 225,824,120</b>	<b>\$ 233,115,432</b>	
<b>EXPENDITURES</b>						
<u>Site Allocations</u>						
Canada College	\$ 30,354,912	\$ 31,737,063	\$ 32,870,376	\$ 33,129,388	\$ 33,397,123	
College of San Mateo	49,028,086	48,441,438	50,821,754	51,264,988	51,716,875	
Skyline College	49,144,902	51,525,669	53,404,150	53,865,669	54,342,376	
District Office	20,951,162	21,549,988	21,801,572	22,010,173	22,229,570	
Facilities	16,388,483	18,170,107	18,493,574	18,669,067	18,853,627	
<b>Subtotal</b>	<b>\$ 165,867,545</b>	<b>\$ 171,424,265</b>	<b>\$ 177,391,426</b>	<b>\$ 178,939,284</b>	<b>\$ 180,539,571</b>	
FTES Growth	\$ -	\$ -	\$ -	\$ -	\$ -	
Benefits / Mid Yr Inc / Savings	500,000	250,000	250,000	250,000	250,000	
STRS On-Behalf	3,848,997	5,796,149	5,796,149	5,796,149	5,796,149	
Retiree Benefits	4,362,482	-	-	-	-	
College-Generated / Cell Site Revenues	561,600	518,315	581,266	581,266	581,266	
Scheduled Maintenance	-	-	-	-	-	
Apprenticeship	467,362	467,362	466,320	466,320	466,320	
Miscellaneous	1,705,825	3,903,979	4,622,008	4,706,128	4,805,898	
Utilities	5,036,234	4,222,417	5,180,411	5,974,694	6,101,358	
Salary Commitments	5,700,740	5,581,079	6,324,298	12,352,885	17,838,899	
Managed Hiring	200,000	500,000	500,000	500,000	500,000	
Insurance	1,817,706	2,815,663	3,213,364	3,271,847	3,341,210	
Consultant / Legal / Election	585,000	985,000	785,000	999,287	820,472	
Staff Development	755,385	767,123	767,123	781,084	797,643	
Districtwide Technology	3,765,100	3,637,143	4,115,036	3,289,930	3,359,677	
FT & PT Fac. Office Hours / PT Fac. Medical	3,050,000	3,050,000	3,050,000	3,050,000	3,050,000	
Transfers Out	3,236,840	4,413,475	4,783,788	4,783,788	4,783,788	
Museum of Tolerance	80,000	80,000	80,000	81,456	83,183	
<b>Estimated Total Expenditures</b>	<b>\$ 201,540,816</b>	<b>\$ 208,411,970</b>	<b>\$ 217,906,190</b>	<b>\$ 225,824,120</b>	<b>\$ 233,115,434</b>	

### **3. FY 2021-22 Meeting Dates / Times**

Slater reviewed the proposed meeting dates and times with the committee. These dates and times are consistent with the prior year's dates and times. The committee members received an email illustrating these dates and times prior to the meeting. Slater mentioned that October, December, and May need to be rescheduled; however, decisions will be made as the dates get closer.

### **4. May 2021 Meeting Reschedule**

The meeting conflicts with the ACBO Spring Conference. Slater asked Fitzsimmons to email the committee their thoughts about rescheduling or cancelling. Fitzsimmons will communicate the results of the tally on rescheduling versus cancelling. The committee members will receive via email an update on the May Revise and its potential impact to the District and the final site allocations for the 21-22 Tentative Budget. The 21-22 Tentative Budget will be on the Board of Trustees' meeting in June 2021 for approval.

### **5. Federal Resources / State Early Action Package**

Slater mentioned that there could be additional resources for community colleges via the May Revise. Given the District's community-supported status, few dollars would be available, most likely towards categorical programs, if any. The District should know in a couple of weeks. She reviewed the CARES, HEERF II, and HEERF III resources, noting that the District has not received HEERF III yet. For HEERF III, legislation requires that at least 50% be spend on direct aid to students.

Early Action (State Funds) – Slater reviewed the \$1.3m received. \$1 m for emergency financial assistance for low-income students, \$.25 million for student retention, and \$38k for CalFresh.

### **6. CCFS-320 P2 Report**

Slater reviewed the enrollment reports as submitted to the State Chancellor's Office. The committee members received an email containing these reports prior to the meeting. Three times annually, the District submits the CCFS-320 Reports to the State Chancellor's Office. This is the second report. Enrollment does not drive general apportionment funding except for some categorical programs, EPA, and some other programs because of the District's basic-aid status. The District's decline in enrollment is better than most.

Fitzsimmons advised that enrollment declines have significant financial impact on general apportionment districts. There is a provision that provides some relief; however, that is short-term with the expectation that enrollment rebounds. This coupled with the hold-harmless provision of the SCFF scheduled to expire will be potential fiscal challenges for general apportionment districts. The State has provided districts with some resources to fund an effort to increase enrollments (see notes from Agenda Item #5).

### **7. Budget Reports / Resource Allocation (Lehigh)**

Slater updated the committee members that Slater and Fitzsimmons met with Lehigh to discuss opportunities to refine the budget reports for consistency and transparency. In response, Fitzsimmons will provide on an annual basis (likely in the October or November meeting) two additional reports to the committee. (1) A breakdown of the prior year budget, revised budget, and

actual revenues and expenses for Fund 1 in a similar format as the Fund 1 Tables found in the Adopted Budget Document. (2) The prior-year actual revenues and expenses in the same format as the Resource Allocation Model. Fitzsimmons reminded the committee members that the Resource Allocation Model does not include prior-year carry-over budgets and the Adopted Budget does, so he will need to tease out expenditures against prior-year carry-over budgets

**8. Public Comments**

Briones expressed her appreciation for the meeting notes. Fitzsimmons advised where the meeting notes are stored and asked that if any member had difficulties obtaining to contact him.

**9. Next Meeting: May TBD, 2021 or to be cancelled (see Agenda Item #4)**

**Meeting adjourned at 2:27 p.m.**